

To: School Financial Officers
From: Tracy Brown, Chief Financial Officer
Date: February 14, 2020
Subject: Changes to distribution of connectivity funds

The distribution of connectivity funds is shifting from a bi-annual distribution to an annual distribution. Schools will receive connectivity funds in the June timeframe. IDOE anticipates little change to the overall amount of the connectivity distribution since the total appropriation of \$3,415,000/year has remained steady.

As a reminder, schools receive the lesser of the following:

- The full annual amount of connectivity costs remaining after E-rate discounts have been applied.
- Approximately \$40,000 multiplied by $(1 - \text{E-rate discount rate})$. For example, if a school corporation has an E-rate discount of 60 percent, the school would be eligible to receive approximately $\$40,000 \times .4$ or ~\$16,000. Note: To receive these funds, the school's annual internet costs after the E-rate discount would need to equal or exceed this amount. Also note this calculation is an approximation of the final distribution and not a guarantee. The final distribution is subject to total funds available for distribution and the number of entities receiving the funding.

There have also been questions about which fund should receive this distribution. Please use Fund 3780 Connectivity and Receipt Account 3217 Technology Grants for this distribution when you receive it later this year.